

BEFORE THE  
POSTAL REGULATORY COMMISSION  
WASHINGTON, D.C. 20268-0001

ANNUAL COMPLIANCE REVIEW, 2016

Docket No. ACR2016

RESPONSE OF THE UNITED STATES POSTAL SERVICE TO  
QUESTION 4.b OF CHAIRMAN'S INFORMATION REQUEST NO. 10

The United States Postal Service hereby provides its response to the above-listed question of Chairman's Information Request No. 10, issued on January 27, 2017. Each question is stated verbatim and followed by the response. Responses to all other questions were filed on February 7. For convenience, the previously-provided responses to parts a. and c. of question 4 appear with the new response to part b.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

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February 13, 2017

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4. The Postal Service states, "First-Class Mail Packages [FCMP] performance will be measured using a composite score of commercial and retail two-day and three-to-five day." FY 2016 Annual Report at 17.
- a. Please confirm that the Postal Service will use FCMP Composite as a performance indicator for the Delivery High-Quality Service goal in FY 2017.
  - b. If confirmed, please provide the following information for the FCMP Composite performance indicator:
    - i. Please identify which First-Class Mail products will be used to measure the FCMP Composite performance indicator in FY 2017 and provide the formula used to calculate the score.
    - ii. Please provide what the FY 2016 result would have been had this performance indicator been used in FY 2016.
    - iii. Please provide the FY 2017 target.
    - iv. Please explain how the FY 2016 result provided in response to question 4.b.ii, above, was factored into the FY 2017 target set for this performance indicator.
  - c. If not confirmed, please explain which performance indicator will measure First-Class Mail Packages service performance.

**RESPONSE:**

a. Confirmed.

b.i.

The following First-Class Mail products will be used to measure FCMP Composite performance in FY2017: Domestic Market Dominant First-Class Retail and Commercial Parcels (retail, pc postage and manifest).

Formula\*\*:  $((\text{NPA Candidate On Time Pieces} / \text{NPA Candidate Total Pieces}) * 100)$

\*\*Note: NPA Measurement excludes the Adjusted Service Period (ASP) for 3-5 Day Service Standard pieces.

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b.ii.

The FY 2016 NPA performance score would have been 86.98\*\*\* if the FY 2017 performance indicator had been used in FY2016.

\*\*\* Note: This excludes the ASP (3-5 Day pieces from November 21, 2015 thru January 08, 2016).

b.iii.

The National Target for FY 2017 is 94.80.

b.iv.

NPA targets are established to drive continuous improvement. SPLY performance and alignment with our Priority Parcel target were considered when setting our FY2017 FC Parcel target. Specifically, if SPLY performance had been higher, the FY 2017 target might have been set higher, and if it had been lower, the target might have been set lower.

c.

Not applicable.